Gov. Admis. + Electross Committee

GOOD MORNING. MR. (MADAM CHAIR) CHAIRMAN I AM HERE TO SPEAK IN FAVOR OF BILL # 5736, AN ACT GIVING PREFERENCE TO RESIDENT BIDDERS IN THE AWARDING OF STATE CONTRACTS.

MY NAME IS JIM RIZZO. I LIVE IN KILLINGWORTH, CT. I AM A LIFELONG RESIDENT OF CT AND MY WHOLE CAREER HAS BEEN IN THE SALES PROFESSION PRIMARILY IN THE TRUCK AND TRUCK RELATED EQUIPMENT INDUSTRY. I AM CURRENTLY VICE PRESIDENT OF SALES AND A PARTNER IN CLIMATE ENINEERING TRUCK AND TRAILER REFRIGERATION, INC. OUR PRIMARY BUSINESS IS THAT OF SALES, SERVICING AND PARTS FOR TRUCK AND TRAILER REFRIGERATION SYSTEMS, ALONG WITH THE SALES AND SERVICE OF OTHER TRUCK AND TRAILER EQUIPMENT. WE ALSO DISTRIBUTE TRUCK AND TRAILER PARTS. I WOULD LIKE TO THANK THIS COMMITTEE FOR THE OPPORTUNITY TO SPEAK TODAY.

WE ALL KNOW THE CURRENT STATE OF THE ECONOMY IS POOR NATIONWIDE AND UNEMPLOYMENT IS AT AN ALL TIME HIGH. AS A MATTER OF FACT, CT'S UNEMPLOYMENT RATE WAS AT A LOW OF 2.5% BACK IN JAN. OF 2000 AND HAS BEEN ON A FAIRLY STEADY CLIMB SINCE THEN TO 9% AS OF DEC. 2010. (BASED ON BUREAU OF LABOR STATISTICS ATTACHED REPORT). A CNBC POLL OF THE 50 STATES DONE IN 2010 RANKED CT AS ONE OF THE HIGHEST COST STATES TO DO BUSINESS IN, WITH A RANKING OF 47 OUT OF THE 50 STATES IN OUR COUNTRY (SURVEY AND SOURCE ATTACHED). IF YOU LOOK AT OTHER CATAGORIES IN THIS SURVEY, RELATED TO DOING BUSINESS IN CT, YOU WILL SEE THAT CT DID NOT RANK WELL AT ALL.

BECAUSE OF OUR CURRENT ECONOMIC SITUATION, BUSINESS IS HIGHLY COMPETITIVE AND COMPANIES ARE STRUGGLING TO HOLD DECENT PROFIT MARGINS. IN MANY INSTANCES, IN A COMPETITIVE SITUATION, THOSE COMPANIES WITH LOWER COSTS OF DOING BUSINESS ARE IN A BETTER POSITION TO OPERATE ON LESSOR PROFIT MARGINS AND PUT THEM AT AN ADVANTAGE. CT COMPANIES, IN MANY CASES HAVE A DISTINCT DISADVANTAGE WHEN COMPETING AGAINST OUT OF STATE COMPANIES. SOME OF THESE OUT OF STATE COMPANIES MIGHT HAVE LOWER COST ADVANTAGES SUCH AS, BUT NOT LIMITED TO: LOWER WORKMAN'S COMPENSATION COSTS, LOWER TAXES, LOWER INSURANCE COSTS, LOWER LABOR COSTS THAT ARE A RESULT OF LOWER COSTS OF LIVING, WHICH CT RANKED #45 OUT OF 50 ON COST OF LIVING IN THE CNBC SURVEY.

I SERVED ON THE TOWN OF BRANFORD REPRESENTATIVE TOWN MEETING FROM 1985 TO 1995.

DURING THAT TIME, I INTRODUCED AN ORDINANCE THAT WOULD GIVE CONSIDERATION TO A LOCAL

TOWN BUSINESS PARTICIPATING IN A LOCAL TOWN BID. A SUMMARY OF THE ORDINANCE IS THAT IF

THE LOCAL BUSINESS BID WITHIN 10% OF THE LOWEST BID AND THE LOWEST BID WAS AN OUT OF TOWN COMPANY, THE LOCAL COMPANY WOULD BE GIVEN THE OPPORTUNITY TO MATCH THE LOWEST BID AND WIN THE AWARD. THIS ORDINANCE PASSED AND HAS BEEN EFFECTIVE. THE OBJECT WAS TO KEEP THE TOWN'S MONEY IN TOWN AND SUPPORT THOSE BUSINESSES PAYING THE LOCAL TAXES.

I FELT THIS IS SOMETHING THAT SHOULD BE DONE ON THE STATE LEVEL. I MET WITH REP. CRAWFORD A SHORT TIME AGO AND DISCUSSED THIS CONCEPT AND IT'S POSSIBILITY. HE FELT IT HAD MERIT AND THEREFORE THIS BILL IS BEFORE YOU TODAY. BUSINESSES ARE STRUGGLING. CT IS FACED WITH THE DAUNTING TASK OF CLOSING A MASSIVE BUDGET DEFICIT. WE CT TAXPAYERS, BUSINESSES AND BUSINESS OWNERS ARE GOING TO BEAR THIS FINANCIAL BURDEN ON OUR OWN BACKS. I THINK IT IS ONLY FAIR THAT IF OUR STATE IS GOING RELY ON IT'S CITIZENS AND BUSINESSES TO BEAR THIS BURDEN, THEN OUR STATE SHOULD DO WHATEVER POSSIBLE TO KEEP STATE EXPENDITURES WITHIN OUR OWN STATE. THIS WILL HELP SUPPORT THOSE THAT ARE PAYING THE TAXES TO KEEP OUR STATE OPERATING AND NOT THOSE OUT OF STATE BUSINESSES THAT TAKE CT TAXPAYERS MONEY OUT OF OUR STATE.

I THINK CT COMPANIES SHOULD BE GIVEN THIS EXTRA CONSIDERATION WHEN PARTICIPATING IN THE CT BID PROCESS. LET'S KEEP OUR MONEY OURS AND TRY TO PREVENT IT FROM BECOMING THEIRS.

LET THE BUCK START AND STOP HERE.

I THANK YOU FOR YOUR TIME AND APPRECIATE YOUR SERIOUS CONSIDERATION OF THIS BILL.

## Bureau of Labor Statistics

## Local Area Unemployment Statistics - SOURCE - BUREAU OF LABOR STATISTICS Original Data Value

Series Id: Seasonally Adjusted

LASST09000003

Area: Connecticut
Area Type: Statewide
State/Region/Division Connecticut

2000 to 2010

Years:

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_	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2000		2.5	2.4	2.3	2.3	2.3	2.3	2.2	2.2	2.1	2.1	2.2	2.3	
2001		2.4	2.6	2.8	2.9	3.1	3,2	3.3	3.3	3.3	3.4	3.4	3.5	
2002		3.6	3.7	3.8	4.0	4.1	4.3	4.4	4.6	4.8	4.9	5.1	5.2	
2003		5.3	5.4	5.5	5.5	5.6	5.6	5.6	5.6	5.5	5.4	5.3	5.2	
2004		5.1	5.1	5.1	5.0	5.0	5.0	4.9	4.8	4.8	4.8	4.8	4.8	
2005		4.8	4.9	4.9	4.9	4 9	4.9	4.9	4.9	4.9	4.9	4.8	4.7	
2006		4.6	4.4	4.3	4.3	4.3	4.4	4.5	4.5	4.5	4.5	4.5	4.4	
2007		4.4	4.4	4.4	4 4	4.4	4.5	4.5	4.6	4.7	4.8	4.9	4.9	
2008		4.9	5.0	5.0	5.1	5.3	5.5	5.7	5.8	0.9	6.2	6.4	6.7	
2009		7.1	7.5	7.8	8.0	8.2	8.4	8.5	8.6	8.7	8.8	8.9	9.0	
2010		9.1	9.2	9.2	9.2	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.0	

## 2010 CNBC STATE RANKINGS POLL

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	& Innovation 29	44	36	49	24	26	25	39	22	23	46	35	50	30	7	47	48	37	20	17	34	31	19	21	12	44	31	10	15	4	16	7	S	27	14	33	
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Technology	& Innovation	37	4	ო	9	13	40	80	6	28	41	17	ν-	43	2
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Cost of	Business	37	38	39	40	4	42	43	44	45	46	47	48	49	90
	Overall State	47 Nevada	39 Maine	5 Massachusetts	20 Pennsylvania	28 Florida	37 Vermont	27 Maryland	22 New Jersey	49 Rhode Island	50 Alaska	35 Connecticut	32 (tie) California	48 Hawaii	24 New York

SOURCE - http://www.cnbc.com/id/37516039 DATE - 2010 POLL